COMMITTEE ON LEGISLATIVE RESEARCH OVERSIGHT DIVISION

FISCAL NOTE

<u>L.R. No.</u>: 1677-01 <u>Bill No.</u>: HB 647

Subject: Aircraft & Airports; Property–Real & Personal; Transportation

<u>Type</u>: Original

Date: February 28, 2001

FISCAL SUMMARY

| ESTIMATED NET EFFECT ON STATE FUNDS | | | | | | | |
|--|---------|---------|---------|--|--|--|--|
| FUND AFFECTED | FY 2002 | FY 2003 | FY 2004 | | | | |
| None | \$0 | \$0 | \$0 | | | | |
| | | | | | | | |
| Total Estimated Net Effect on <u>All</u> State Funds | \$0 | \$0 | \$0 | | | | |

| ESTIMATED NET EFFECT ON FEDERAL FUNDS | | | | | | | | |
|--|---------|---------|---------|--|--|--|--|--|
| FUND AFFECTED | FY 2002 | FY 2003 | FY 2004 | | | | | |
| None | \$0 | \$0 | \$0 | | | | | |
| | | | | | | | | |
| Total Estimated Net Effect on <u>All</u> Federal Funds | \$0 | \$0 | \$0 | | | | | |

| ESTIMATED NET EFFECT ON LOCAL FUNDS | | | | | | | |
|-------------------------------------|---------|---------|---------|--|--|--|--|
| FUND AFFECTED | FY 2002 | FY 2003 | FY 2004 | | | | |
| Local Government | \$0 | \$0 | \$0 | | | | |

Numbers within parentheses: () indicate costs or losses.

This fiscal note contains 3 pages.

FISCAL ANALYSIS

ASSUMPTION

Officials with the **Department of Transportation (MoDOT)** assume the proposal will have no fiscal impact on the agency. MoDOT notes that airports are encouraged by the Department and the Federal Aviation Administration to purchase land needed for future development regardless of short, medium, or long-term requirements to avoid future high land costs and possible incompatible development. MoDOT speculates that this legislation may restrict the expansion potential of small airports.

Lambert–Saint Louis International Airport (Airport) indicates that the proposal would have a substantial unknown cost. Land currently held for development by the Airport was originally purchased more than ten years ago. This land would have to be returned to the municipality in which the property is located. Additionally, land purchased under noise buyouts is currently planned to be developed into a new terminal. This land would have to be returned to the municipality in which the property is located. The Airport assumes that passage would result in large indirect costs through under-development of the Airport, or in large direct costs through reacquisition once the developments take place.

Officials with the **City of Saint Louis** assume the proposal will have no fiscal impact to the city. Officials with the **County of Jackson** assume the proposal will have an unknown fiscal impact.

For the purposes of this fiscal note, **Oversight** has assumed than any costs to the Airport will be offset by gains to the local government. Oversight notes that it is likely that the Airport would avoid any costs by speeding development of the land.

| FISCAL IMPACT - State Government | FY 2002 (10 Mo.) | FY 2003 | FY 2004 |
|--|---------------------|------------|------------|
| | <u>\$0</u> | <u>\$0</u> | <u>\$0</u> |
| FISCAL IMPACT - Local Government | FY 2002 (10 Mo.) | FY 2003 | FY 2004 |
| Revenues—Various Municipalities Property Acquired from Airport | Unknown | Unknown | Unknown |
| <u>Costs</u> –Airport Property Lost to Municipalities | (Unknown) | (Unknown) | (Unknown) |
| ESTIMATED NET EFFECT TO LOCAL GOVERNMENT | <u>\$0</u> | <u>\$0</u> | <u>\$0</u> |

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FISCAL IMPACT - Small Business

No direct fiscal impact to small businesses would be expected as a result of this proposal.

DESCRIPTION

This bill revises provisions pertaining to the acquisition of property for an airport or landing field.

The bill requires that if any county, city, or city under special charter acquires any property for use as an airport or landing field and the property is not used within ten years or if the ten year period has expired upon passage of the bill, the title to the property will vest with the municipality or the county where the property is located. The county or city acquiring the title to the property can confirm the title by bringing an action to quiet title in the circuit court where the property is located.

The bill also requires that if any property is acquired by any county, city, or city under special charter for the purposes of airport noise mitigation and such property is still owned by the city or county five years after acquisition or if the five year period has expired upon the passage of the bill, the title to the property will vest in the municipality or county where the property is located. Title to the property will remain subject to any Federal Aviation Administration required air rights or air easements. The property may be zoned and used only for purposes compatible with the Federal Aviation Administration's airport noise mitigation regulations if the property remains subject to such regulations. The city or county acquiring the title to the property can confirm the title by bringing action to quiet title in the circuit court where the property is located.

This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

Department of Transportation
City of Saint Louis
County of Jackson
Lambert–St. Louis International Airport

Jeanne Jarrett, CPA

Director

February 28, 2001

MF:LR:OD (12/00)